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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/657,622	09/08/2000	Mary McKenney	10003-025	3096
20583	7590	11/04/2003	EXAMINER	
PENNIE AND EDMONDS 1155 AVENUE OF THE AMERICAS NEW YORK, NY 100362711			BACKER, FIRMIN	
		ART UNIT	PAPER NUMBER	
		3621		

DATE MAILED: 11/04/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	09/657,622	MCKENNEY ET AL.
	Examiner Firmin Backer	Art Unit 3621

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 30 August 2003.

2a) This action is **FINAL**. 2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-19 is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) Claim(s) _____ is/are allowed.

6) Claim(s) 1-19 is/are rejected.

7) Claim(s) _____ is/are objected to.

8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11) The proposed drawing correction filed on _____ is: a) approved b) disapproved by the Examiner.

If approved, corrected drawings are required in reply to this Office action.

12) The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

13) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All b) Some * c) None of:

1. Certified copies of the priority documents have been received.

2. Certified copies of the priority documents have been received in Application No. _____.

3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

14) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).

a) The translation of the foreign language provisional application has been received.

15) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

1) <input type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) <u>4</u> .	6) <input type="checkbox"/> Other: _____

Response to Amendment

This is in response to an amendment file on August 30th, 2003 for letter for patent filed on September 8th, 2000 in which claims 1-19 were presented for examination. In the amendment, claims 1, 10, 18 and 19 have been amended, no claim has been canceled, and claims 20 and 21 has been added to the letter. Claims 1-21 are pending in the letter.

Claim Rejections - 35 USC § 102

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

2. Claims 10-17, 20 and 21 are rejected under 35 U.S.C. 102(e) as being anticipated by Linehan (U.S. Patent No. 6,327,578).

3. As per claim 10 and 20, Linehan teaches a method of providing payment services (*method, system and program for doing business in an electronic commerce*) (*see fig 1, column 5 line 50, 51*), the method comprising providing a buyer (*consumer 102, 202*) with a plurality of payment instruments (*plurality or party*), each payment instrument having associated therewith a payment instruction (*payment message*) (*see fig 1, column 5 line 61-6 line 8*), the buyer choosing one of the payment instruments (*credit/debit card*) (*see column 9 lines 47-58*), the buyer

completing at least a first portion of the payment instruction message associated with the payment instrument chosen by the buyer (*see fig 1, column 5 line 61-6 line 8*), the payment instruction (*authorization token, 254*) message specifying a payment date (*see column 6 line 28-42*), the first customer (*issuing bank, 212*) signing (*digitally singed*) the payment instruction message with a private key corresponding to a digital certificate of the buyer (*see column 6 line 28-42*), the signed payment instrument being received by a bank (*issuing bank*), the bank executing the payment instruction on the payment date (*see fig 1, column 3 lines 28-35*).

4. As per claim 11-17 and 21, Linehan teaches a method wherein the selected payment instrument is a payment order, payment obligation, conditional payment order, conditional payment obligation, certified payment obligation, certified conditional payment obligation and is negotiable (*see figs. 1, 2A, 2B, 4, 5, column 3 lines 15-47, 5 lines 50-6 lines 48*).

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-9, 18 and 19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Linehan (U.S. Patent No. 6,327,578) in view of Park et al (U.S. Patent No. 6,039,248)

7. As per claims 1, 18 and 19, Linehan teaches a method of providing payment services (*method, system and program for doing business in an electronic commerce*) in a four-corner model (*four party protocol*) (see *fig 1, column 5 line 50, 51*) comprising a plurality of entities (*plurality or party*) including a root entity (*acquire gateway 106, 206, 214*) a first participant (*issuing bank, 112, 212*) a second participant (*acquiring bank, 108, 208*), a first customer (*consumer 102, 202*), and a second customer (*merchant, 104, 204*), the first customer being a customer of the first participant, the second customer being a customer of the second participant, each entity being provided with a digital certificate (*digital certificates*) (see *figs, 1, 2A, 2B, 4, 5, column 3 lines 15-47, 5 lines 50-6 lines 48*) comprising, the first customer (*consumer, 102*) completing (*fill in*) a buyer's portion of a payment instruction specifying a payment date (*authorization token, 254*) (see *column 6 line 28-42*), the first customer (*consumer, 102*) transmitting (*forward*) the payment instruction (*authorization token, 254*) to the second customer (*merchant*) the second customer completing (*complete the sales transaction*) a seller's portion of the payment instruction (see *fig 2, column 6 lines 48-55*) the second customer (*merchant, 204*) transmitting (*sends*) the payment instruction (*captured request message*) to the second participant (*acquirer bank, 208*) the second participant (*acquirer bank, 208*) completing a second participant portion of the payment instruction (see *fig 1, column 3 lines 28-35*), the second participant signing the payment instruction with its private key (see *fig 1, column 3 lines 28-35*), the second participant transmitting the payment instruction to the first participant (see *fig 1, 2, column 6 lines 54-60*), the first participant executing the payment instruction on the payment date (see *fig 2, column 6 lines 58-62*). Linehan fail to teach an inventive concept wherein the first customer signing the payment instruction with its private key, the second customer signing the

payment instruction with its private key. However, Park et al teach an inventive concept wherein the first customer signing the payment instruction with its private key, the second customer signing the payment instruction with its private key (*see fig 3 column 6 lines 25-39*). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Linehan's inventive concept to include Park et al's inventive concept wherein the first customer signing the payment instruction with its private key, the second customer signing the payment instruction with its private key because this would have provided a system and method to proving the safe realization of the transaction between a consumer and a merchant and prevent a forgery of the document.

8. As per claims 2-7, Linehan teaches a method wherein the payment instruction is a payment order, payment obligation, conditional payment order, conditional payment obligation, certified payment obligation, certified conditional payment obligation and is negotiable (*see figs, 1, 2A, 2B, 4, 5, column 3 lines 15-47, 5 lines 50-6 lines 48*).

9. As per claim 8, Linehan teaches a method wherein the first customer executes a contract with the first participant defining roles and responsibilities in connection with payment services (*see fig 1, column 3 lines 28-35*).

10. As per claim 9, Linehan teaches a method wherein the second customer executes a contract with the second participant defining roles and responsibilities in connection with payment services (*see fig 1, column 3 lines 28-35*).

Response to Arguments

11. Applicant's arguments filed August 8th, 2003 have been fully considered but they are not persuasive.

a. Applicant argues that the prior arts fail to teach an inventive concept wherein a buyer is provided with a variety of payment instruments and permitting the buyer to choose from them. Applicant argues that the prior art fail to provide a payment instruction specifying a payment data. Examiner respectfully disagrees with applicant characterization of the prior arts. Lineham teach an inventive concept wherein a system, program, and method of doing business for electronic commerce that expands the role of a "thin" consumer's wallet by providing consumer/buyer with a variety of payment option (i.e. cash, credit card, debit card). Although credit card and debit card are used interchangeably, there different payment option and do not operate in the same manner. A debit card use pin number in order to authorized the payment while the credit card does not need a pin. In fact some merchants do not accept debit card as a form of payment. Furthermore the method of the invention includes sending from a consumer's computer a start message over an internet network to a merchant's computer. The merchant's computer then replies to the consumer's computer with a merchant message including a wallet initiation message, a merchant digital signature, and a digital certificate from an acquiring bank. The wallet initiation message includes a payment amount, an order description, a *timestamp*, and a nonce. This starts a consumer's wallet program in the

consumer's computer in response to the wallet initiation message. The consumer's computer then sends over the internet network some consumer identity and authentication information, such as a userid and user password, plus the merchant message, to an issuer gateway operating on behalf of an issuing bank. Furthermore, Lineham's inventive concept disclose in column 12 line 50-67 an inventive concept wherein the merchant can divide a payment into two or more portions that are separately authorized and settled, without consumer interaction: Recurring payments support merchandising schemes such as monthly newspaper subscriptions. The merchant can authorize and capture payments on a regular schedule, given initial consumer approval and without further consumer involvement. Installment payments permit consumers and merchants to stretch a payment over time. At the time of a purchase the consumer and merchant agree to a particular schedule and the merchant or acquiring bank then automatically authorize and capture payments according to the schedule. Also a Japanese Payment Options wherein a special business arrangement that is common in Japan. Issuing banks and merchants attract customers and business by offering installment and other payment arrangements that are managed by the banks rather than the merchants, This involves a very complex protocol among all the SET participants (*see column 13 lines 64-14 line 2*).

b. In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the

references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case it would have been obvious to combine the inventive concept since they are in the same environment.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

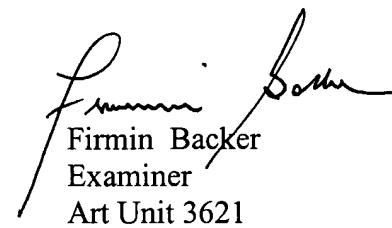
A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Firmin Backer whose telephone number is (703) 305-0624. The examiner can normally be reached on Mon-Thu 8:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on (703) 305-9768. The fax phone numbers for the

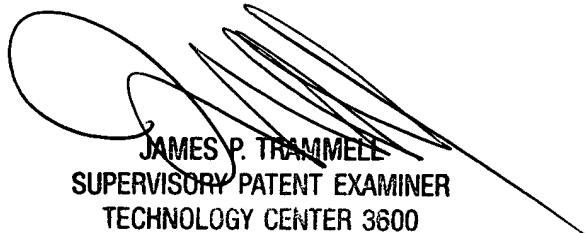
organization where this application or proceeding is assigned are (703) 305-7687 for regular communications and (703) 305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.



Firmin Backer
Examiner
Art Unit 3621

October 31, 2003



JAMES P. TRAMMELL
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600